
FINANCIAL SERVICES REPUBLICAN MORNING CLIPS 12.17.2009

Wall Street Journal: "Treasury Halts Plan to Sell Off Citi Stock ...The U.S. government abruptly shelved plans to start trimming its 34% stake in Citigroup Inc., after investors demanded a price so low that the Treasury Department would have lost money on the deal."

Wall Street Journal: "McKinsey: If the Dollar Gets Dumped, Don't Worry ... Should the U.S. worry if central banks around the world decide they don't want to hold their reserves in dollars anymore?"

Wall Street Journal: "U.S. Treasury Runs Into Theories on Irrational Investing ... The Treasury Department's decision to shelve its plans to sell its stake in Citigroup Inc. struck us as a prime example of a popular theory in economics called 'loss aversion' at play in the real world with large stakes."

Wall Street Journal: "Fed More Upbeat, but Keeps Lid on Rates ... The Federal Reserve acknowledged the U.S. economy is picking up, but reaffirmed its plan to keep short-term interest rates near zero for at least several more months."

Wall Street Journal: "Bernanke Foes Seek to Curtail Fed ... Ben Bernanke is widely expected to win Senate approval for a second term as Federal Reserve chairman, but opponents are hoping to use the debate on his nomination to curtail his autonomy at the central bank."

Washington Post: "Federal Reserve edges away from crisis measures ... The Federal Reserve said Wednesday that it will shut down some of the emergency triage measures it put in place at the height of the financial crisis but will leave interest rates near zero out of continuing concern about the weak U.S. economy."

Washington Post: "Treasury to delay selling government's stake in Citigroup after share price falls ... Citigroup wants to escape government control. The Obama administration wants to cut it loose. But investors are still standing in the way."

Washington Post: "SEC tightens rules on investment advisers, corporate transparency ... The Securities and Exchange Commission on Wednesday put in place two new policies aimed at avoiding a repeat of the Bernard L. Madoff fraud and addressing concerns that excessive compensation and ineffective oversight by corporate boards fueled the financial crisis."

NY Times: "What the S.E.C. Gains From the Financial Bill ... The House passed an extensive financial regulation bill last week that would significantly increase federal oversight of financial companies and the markets."

LA Times: "Fed chief endures a love-hate relationship with Congress ... Federal Reserve Chairman Ben S. Bernanke has been praised by President Obama and hailed by most mainstream economists for bold policies that played a critical role in pulling the U.S. economy back from the brink of disaster."

LA Times: "SEC votes for broader disclosure on executive pay ... Amid a public outcry over compensation, federal regulators voted Wednesday to require companies to reveal more information about how they pay their top executives."

LA Times: "Credit Suisse to pay \$536 million in Iran case ... Credit Suisse Group has agreed to pay \$536 million to settle a Justice Department probe and admit to violating U.S. economic sanctions by hiding the booming illegal business it was doing for Iranian banks."

LA Times: "Stocks end mixed as Fed prepares to remove aid ... An early stock market rally Wednesday stalled after the Federal Reserve reminded investors that it would start to wean the economy from an array of emergency supports next year."

USA Today: "Fed sees hope for U.S. job market; interest rates stay low ... The Federal Reserve on Wednesday provided a more upbeat appraisal of the economy but voted to keep interest rates unchanged near zero and offered no signal it will raise rates anytime soon despite an improving job market."

USA Today: "Lawmakers need to stay out of the Fed's business ... In response to USA TODAY's editorial on Ben Bernanke, I can only watch in wonder as our legislators stick their fingers into another part of the government, the Federal Reserve ("New recipe for economy - Fry Bernanke, add political spice," Our view, Blame for the collapse debate, Dec. 7).

The Hill: "As banks repay loans, Treasury to ask how bailout money spent ... After more than a year of debate, the Treasury Department has decided to ask individual banks specifically how they used money from the \$700 billion bailout."

The Hill: "White House touts stimulus data while pushing new plan to create jobs ... The White House said Wednesday that the stimulus is doing its job to improve the economy but that "targeted ideas" are still needed to create jobs."

Politico: "Few cheers on Capitol Hill for Time's Ben Bernanke pick ... His critics in Congress - liberals and conservatives alike - couldn't believe it Wednesday."